IN ADDITION:

Finally, we would like to take the opportunity to address an important issue also regarding “fallback clauses”. Currently there is a requirement to include “fallback clause” into the contract, however there is currently no legal framework giving “full force and effect” to such clause in case of respective triggers actually being triggered.

With the exception of BMR there are no specific provision on “fallback clauses” or actual implementation thereof, consequently there are no provisions which eliminate potential conflict or any kind of ambiguity with provisions of MCD, the CCD, Directive 93/13/EEC and of any other consumer protection or other legislation. In our opinion absence of regulation of “fallback clauses” implementation opens room for potential disputes and poses a systemic risk to the financial system.